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SUBJECT: UKRAINE: 4/13 WTO UPDATE

REF: A. KYIV 790

[B](#). KYIV 789

[C](#). KYIV 784

[D](#). KYIV 688

[E](#). KYIV 331

[F](#). KYIV 200

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[1](#)1. (SBU) Summary: Top GOU officials continue to express concerns that USG comments on WTO-related legislation and the draft Working Party Report will slow down the accession process. EU diplomats in Kyiv have similarly inquired whether the comments signify a U.S. delaying tactic. Post has actively countered these misperceptions, emphasizing that the USG contributions were helpful in advancing accession. Working-level members of Ukraine's WTO team continue to move full steam ahead, making progress on the Working Party Report and in drafting new legislation. The new Minister of Economy floated the idea of Ukraine and Russia signing a mutual pledge not to delay one another's accession. Ukraine's political crisis has not impeded progress on WTO accession. End Summary.

[1](#)2. (U) This latest edition in a series of regular update cables regarding the status of Ukraine's WTO accession (refs D-E and previous) covers the period March 24 - April [1](#)3.

More Grumbles from GOU Leadership

[1](#)3. (SBU) As reported in ref A, several high-level GOU officials have complained to the Ambassador about the volume of USG comments on recently passed legislation and on the draft Working Party (WP) Report. Foreign Minister Arseniy Yatsenyuk raised similar concerns to Ambassador on April 2. EU diplomats in Kyiv have similarly inquired whether the comments signify a U.S. delaying tactic. Ambassador has drawn on Washington guidance in responding, aggressively pushing back that our comments should in fact help move the accession process forward, not stall it.

[1](#)4. (SBU) Comment: Working-level members of Ukraine's negotiating team have not echoed the sentiments of top

officials, telling us they view the comprehensiveness of
USG comments as helpful and a positive sign that Washington
is focused on Ukraine's accession.

Working Party Report Progressing

15. (U) The GOU is working with the WTO secretariat to
produce a new revision of Ukraine's draft WP Report, based
in large part on the U.S. suggestions, according to our
contacts. Washington held a teleconference on April 11
with Ukraine's WTO team and functional specialists to
review in detail the SPS section of the WP Report, and to
discuss other agricultural issues. The Ministry of
Economy's Zhanna Pastovenska, in charge of WP Report
preparation, told Econoff on April 13 that she hopes a new
revision could be complete by the end of next week, but
that it may slip to the week of April 23. Completion of
this new revision should lay the groundwork for a WP
Meeting in Geneva in mid to late-May, said Pastovenska.

Drafting of New Legislation Continuing

16. (SBU) Ukraine's WTO team is making progress drafting
legislation to address areas where Ukraine still falls
short of WTO consistency or of fulfilling bilateral
commitments. Ukrainian negotiators said during the April
11 telcon they would likely approve all of Washington's
suggested changes on the draft biotechnology law.
(Comment: Pushing this law through the Rada (parliament)
might still be problematic, but at least the GOU appears
willing to address USG concerns in this law. End Comment.)
A new law on intellectual property is also working its way
through the final drafting stages, Ministry of Economy
official Oksana Amjadin told Econoff on April 13. As
reported in Ref A, however, Ukraine's negotiating team does
not plan to introduce new legislation to the Rada until

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after the next Working Party meeting.

Peering over the Fence at Russia

17. (U) New Minister of Economy Anatoliy Kinakh, in one of
his first public statements on WTO, told the press on March
23 that he hoped to sign an agreement with Russia whereby
both countries would agree not to delay the other's
accession. Kinakh said he intended to discuss this
possibility soon with Russian Trade Minister German Gref.

18. (SBU) Comment: If it is true, as most observers agree,
that Ukraine is farther along in its accession negotiations
than Russia, Kinakh's suggestion was, in practical terms,
more for a unilateral Ukrainian assurance to Russia than
for a meaningful mutual pledge. Indeed, April 9 press
reports quoted Russia's lead WTO negotiator Max Medvedkov
as saying the Ukrainians had already assured him they would
not delay Russia's accession.

Comment: Political Crisis not Slowing Down WTO

19. (SBU) Ukraine's ongoing political crisis (refs A-C) has
not yet had an impact on the accession process. Work right
now rests with the Ukrainian negotiating team in the
Ministry of Economy, and other executive bodies, which
continue to function as normal. We do not perceive any
slowing down on the major outstanding WTO issues --
developing legislative and regulatory fixes, revising the
draft Working Party Report, negotiating a bilateral
agreement with Kyrgyzstan, and negotiating agricultural
support levels.

TAYLOR